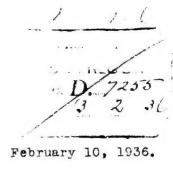
D 3926 D 3928 D 3929



New Chinese daily newspaper to be published on February 12

x See 0 0726



SHANGHAI MUNICIPAL POLICE. No. S. B.

S. 5, Speck Am Branch, santo

	REPORT Date February 5, 1036.
Subject	Cessation of the "Chen Pao" (差載 "Shanghai Morning Post")
	and its subsidiary papers.
Made by	c.A. Loh Sih Kya. Forwarded by Shinson A. J.
	Sir,
	Further to the attached report, the "Chen Pao " Co.,
	Ltd. has engaged Hsu Yung Tso (47,367), an auditor, as
	liquidator.
	It is reported that in addition to the regular
	donations from General Chieng Kai Shek, the concern lost
	about \$180,000.00 since its establishment on April 7, 1932.
	Ho Si Ah (何西里), editor-in-chief of the defunct
	newspaper, and several of his colleagues are proposing to
	raise capital to purchase the plant and to start the publication
C. C. 7255	of a daily newspaper to be known as "Zung Pao" (家文 "Honest
(A	Paper*).
	The attached cutting from the "North-China Daily
	News* shows the attitude of General Chiang Kai Shek towards
	newspaper comments.
	MG
	1.
	Loh Sil Kya.
	Clerical Agentant.
	•
	D. C. (Special Branch).
	0 00
·	Commissioner of Police,
	sir,
	Information.
	(Sp. pr)
	6 C. (54 1936

General Chiang Lashes Out at Reactionaries

Claims Financial and Economic Stability

BANDITS SUPPRESSED

No Mercy for Dishonest Officials

Nanking, Jan. 28.

"To-day I can directly tell my comrades that the financial and economic foundation of the country is already stable. If we continue our efforts in this direction, and struggle unitedly despite hardships, nobody will be able to shake the revolutionary foundation of the Chinese Government." Lashing out at the reactionary elements who are attempting to wreck the Government's economic and financial policies, this positive assertion was made by Gen. Chiang Kai-shak at the weekly memorial service at Central Party Headquarters, yesterday.

Gen. Chiang said:-

Since the flight westwards of the remnant bandits in Kiangai last year and their pursuit and attack by Government troops from all sides, though they have not yet been completely exterminated. I believe that their total suppression is no longer as serious question. Therefore, with regard to the general situation in the country. I may say that the infernal military operations drew to a close at the end of last year. Henceforth, they will merely be in the nature of rounding up the remnant bandits. Beginning from this year, the Government can devote undivided attention and plan step by step the work of improving the livelihood of the people and the execution of the various projects of national reconstruction, whether political economic, educations

Represently, the Government is unclaimed, in aspectance with the apicit of independence and address and a popular of the past; so that they may be relieved at their anticina, someone and a new attention, seather a manual and address attention, seather and a material and a plant of the Contention, with a view to pushing the neither policy to

They have spared no effort in disseminating rumours and slandering the Government, with a view to impairing its financial credit and effecting its overthrow.

A few Party members who do not understand this situation, or who harbour ulterior motives, and even Party newspapers, have tolong in this single chorus, and assumed a reactioner, one in mer comments, in order the the manner and economic policies of the Government may still be controlled by a few persons of the past, that the State and the Government may for ever be placed at their beck and call, and that the Government may be prevented from enforcing its plans for the State and for the livelihood of the people.

Government's New Policy

The so-called economic situation of the past consists of the direct control of the financial policy of the Government and indirect control over the livelihood of the people, by domestic and foreign capitalist interests, so that the Government may listen to their orders in its every nian.

Following two years struggle by the financial authorities, the Government has formulated and adopted its own independent economic policy and financial plans, and has both the determination and the power to be independent and self-reliant. It will no longer submit to anybody's control or manipulation, and will resist any reactionary force which seeks to obstruct, the enforcement of our new pricy and plans. Certain reactionary elements are now working for a return to the past fisancial and economic attustion. Their efforts will be futile and merely lead to their own destruction.

I assume the responsibility of securing the strict and absolute observance of the virtue of honesty. I believe that there is no possibility of corruption among any of the public functionaries under my jurisdiction, nor will the existence of any corrupt official be tolerated. If any Government official should be suffly of speculation, avarios, and secreption, the responsibility must be bounded by med in my capacity as President of the Executive Tuna. I shall never after the responsibility, or evade this responsibility, or cover up a sounded under six president or explanation, whetherever, I shall premptly hand corrupt distribute twister civil as military, over he combined will also be pushfield for collainon and committed for collainon and committed.

MAINICHI

ACTIVITIES OF CHINESE COMMUNISTS

A Taido telegram from Mukden dated January 28 reports that ever since the Manking Government had decided to ally itself with communists the latter have become active at various places. The recent arrest of a communist led to the discovery of the fact that the following important telegraphic instructions were issued by the Central Political Bureau on December I, 1935 to the Commander in Tientsin;

"The Third Internationer has decided to use the Laming route to maintain comminications for it is the shortest trace route between Soviet and China. The Soviet Government has secured the understanding of China to conclude a Russo-Chinese commercial treaty. There is emple possibility for the Loviet Government to open hegotiations with China for co-operation in political, military, educational and commonic affairs. The Third International will propose co-operation along the borders. For this reason all comrades should exercise great care in their activities."

1935 another instruction was issued to the effect that co-operation between China and the Soviet along the borders had been re sumed. Co-operation has been approved by the Third International and the Central Executive Committee. The Central Political Bureau has selected 9 men to be detailed for co-operative work among youths in Tientsin and Peiping to direct the students' movement in these districts and to conduct an anti-Japanese movement. They have been instructed to consult with Chiang Mung Lin and Fu Teh of the Kucmintang.

BIPPO

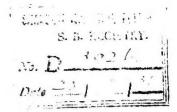
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SUPPRESSION OF "CHEN PAO" IS A CHALLEGE TO THE PROPLE

Dome: telegram from Tokyo roperts that the Nanking Government has suppressed the publication of "Inon Pao" because the paper had criticized the conduct of certain high officials of the Ministry of Finance and the Central Bank.

It is alleged that Dr. H. H. Kung, Minister of Finance, Mr. T. V. Soong, chairman of the Board of Directors of the Bank of China, had abused their authority and promoted their private interests through the new currency reform. The Chen Pao published an article to the effect that officials were selling government bonds held by them and their action would bring about the failure of the silver nationalization scheme. The Japanese Government regards the suppression of the Chen Pao by the Manking Government as a sort of chellings to the people who are complaining of the currency reform.

According to information received from reliable sources, the future of China's currency reform is hopeless. It is expected that China's currency reform will be abandoned some time in April.



January 24-28, 1936.

Publication of Chinese Newspaper "Chen Pao" forbiden by National Government

with offices at 205 Shantung Road, failed to resume publication on January 27 after the lunar new year holidays. It has been learned that on January 23 the Management of the paper received an order from the National Government forbiding the publication of the Chen Pao on the ground that the issue of January 19 contained a leading article which referred to certain officials of the Government in a most derogatory manner.

2

January 28, 1936.

Morning Translation.

Ta Mei Wan Pao and other local newspapers :-

"CHEN PAO" CEASES PUBLICATION

The "Chen Pao" ("Shanghai Morning Post") suddenly ceased publication on January 27. It is learned that all the subsidiary business of this newspaper will likewise be wound up at the end of this month.

The cessation of publication by this paper is attracting much attention. According to an advertisement published by this paper, the suspension was decided upon at a meeting of the Board of Directors.

The paper began publication on April 7 in the 21st Year of the Chinese Republic (1932). All the members of the staff of this paper were notified by letter on January 26 of their discharge with effect from February 1.

According to another source of information, the suspension is due to an article entitled "The Government should establish its sincerity and confidence" which appeared in the editorial columns on January 19, but this information cannot be verified.

The Shanghai Chen Pao Company, Ltd., published the following advertisement in its evening edition on January 27:

"At a meeting of the Beard of Directors of this company, it was resolved to suspend the publication of the Chen Pao as from to-day. (January 27) Apart from no tifying the various persons concerned of this suspension, the company publishes this advertisement for the information of the public."

Sin Wan Pao and other local newspapers (Nanking Telegram) :-

THE NEW CHINESE ALBASSADOR TO JAPAN

According to diplomatic circles, the Central Government has appointed Hau Shih Yipe (1748), Chairman of the Relief Commission, as Chinese Ambassador to Japan. The Ministry of Foreign Affairs has already formally approached the Japanese Authorities for their approval of this appeintment.

It is learned that the Japanese Government has appointed Mr. Arita to succeed Mr. Ariyoshi as Japan's Ambassador to China. Mr. Ariyoshi will leave for Tokyo on February 8.

Sin Wan Pas and other local newspapers (Peiping Telegram) :-

JAPANESE TO PROVIDE GUARDS FOR PRIPING-LIACHING RAILWAY

It is learned that in future Japanese gendermes will accompany every passenger train of the Delping-Liconing Railway as guards. The Railway Authorities will provide them with a second class compartment. This step is being taken to prevent sauggling by Japanese and Korean passengers.

Memorandum

POLICE FORCE.

Shanghai, Robinary 5 1936,

It is reported that
the Chen Pao (Morning
Post) suspended
publication on Jamary 27.
Please ascertained why
Ehis newspaper auspended
publication, and papert.
This matter was hought
to notice by Mr Jeffrey of
the British Consulate
who is interested in this
pubject.

The loping | White



SHANGHAI MUNICIPAL POLICE.

File Nonne S. B. REGISTRY

REPORT

Subject Cessation of Publication by the "Chen Pao" (Shanghai Morning

Post) and Subsidiary Papers.

Made by C.A. Loh Sih Kya. Forwarded by Thhoone &

S. 5, Special SBranch

Sir,

The "Chen Pao" (龙邦 "Shanghai Morning Post"), No.205 Shantung Road, failed to resume publication after the China New Year holidays, while its evening edition will not

appear until (January 31).

This paper is an organ subsidised by General Chiang Kai Shek and has a capital of \$300,000. It is registered in the name of Wang Siao Lai (王稅新 Chairman of the

Shanghai City Government Assembly and the Chinese Ratepayers Association) who is Chairman of the Board of Directors of this

paper.

The Managing-Director is Pen Kung Chai (海公尺). a member of the Central Executive Committee of the Kuomintang,

Commissioner of the Education Bureau of the Shanghai City Government and a member of the Standing Committee of the

Shanghai Special District Kuomintang.

Ho Si Ah (何如堂) is the Editor-in-Chief and Mei

Ree Fang (京季方 a departmental chief of the Education

Bureau) is the Manager.

The paper had a circulation of 25,000 copies daily, its evening edition 20,000 copies, while the "Siao Chen Pao"

(从老教), a mosquito paper, 30,000 copies. However, the combined revenue was insufficient to cover expenditure.

On January 19 the "Chen Pao" published an editorial

(translation attached) and this editorial is believed to be

the principal cause for the cessation of publication.

It is reported that Pen Kung Chai will probably

publish the paper under another ness in February next.

At the time that this particular editorial was



SHANGHAI MUNICIPAL POLICE.

File No.....

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		Station,
	REPORT	Date
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		s
Made by	Forwarded by	
	published, the value of Chinese de	henture honds were continually
	falling and rumours were in circula	
~	Government was about to reduce the	
	bonds. In addition, a certain	broker, who is closely
	connected with Dr. H.H. Kung, Mini	ster of Finance, sold a
	large amount of debenture bonds.	Various local Chinese
	banks in possession of debenture b	onds elected Zien Sin Ts
	(銭转之), General Manager of the	Joint Savings Banks
	Society, to ask Dr. Kung to repudi	ate the rumours. On
	January 20 the Minister of Finance	deputed a departmental
Č	chief to Shanghai ostensibly to as	
	speculators and to deal with rumous	
	so far, been accomplished.	
	M. Jeen accomplished.	
	HG.	
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	·	Lob Sil Kya
	**	Clerical Assistant.
	Officer i/c Special Branch.	
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The following is the editorial published by the "Chen Pao" (official organ of General Chiang Kai Ehek) on January 19, 1936:-

GOVERNMENT OFFICIALS TO HE STRICTLY PROHIBITED

There are two questions facing Chine to-days hew to re-adjust diplomatic problems and how to relieve the economic crisis.

Regarding the first point, General Chiang Kai Shek
has already declared that the Mational Government would
do its best to work for peace, but it would also be prepared
to make sacrifices should it be found impossible to obtain
peace. As regards the second point, General Chiang has
promoted a movement for economic reconstruction. A
section of Government officials, however, do not seem to
have much respect for this movement and their action is
liable to accelerate the economic bankruptcy of the people.
We draw the attention of our Government to this matter.

Thing has been in a most difficult financial position since 1958 when she was struck by the wave of world economic depression. Respite this, there are ways and means for China to save herself. One reason shy China's financial position is so bad to-day in because a few feverment officials in high satherity are making fortunes by means of mattenal finances.

took control of affairs, and by this means they amassed huge fortunes. Banking circles in Shanghai are eware who these officials are. Up to the eve of the day when the equalisation tax on silver came into force, the financial authorities continued to deny that such a tax would be imposed. The same thing happened in the case of the currency policy. There can be no answer if it be said that the authorities were competing with the people.

The sudden decline in the value of debenture bonds is also due to speculation by a small section of Government officials. A report was current that redemption of the debenture bonds would be further postponed and that the rate of interest on the bonds would be reduced. The explanation issued by the authorities is very vague.

Here of the bankers place any confidence in the premise of the authorities. If the authorities say "Yes", they will regard it as "We".

Ef the oppress matherities, in consistence with the activities of a small september of deversable officials, fallows to rete of interest and to extend the partial for the retemption of the depositure bonds, the public of the depositure bonds, the public of the depositure bonds, the public of the respective to the homogeneous to be active and the confidence. We reduced the public of the publi

 as an investment, with the result that new bonds will be affected.

Does the Government want to witness a stagnation in the value

of bonds, new or eld, caused by a supplementary issue of new

bonds with the Sinking Fund for the old bonds?

It is claimed that the Government's action would check speculations on debenture bonds. Actually, it is the unsteady value of the debenture bonds that has caused speculations in these bonds to become so prosperous. Furthermore, there is is a great difference between the face value and the market price of the bonds. If the Government is sincerely desires to prevent the bonds from being dealt in by speculators, it should endeavour to make the difference between the face value and the market price of the bonds as small as possible. The belief that a reduction of the rate of interest and delay in the redemption of the bonds—would discourage speculations is not shared by the people.

The Government has declared that during the period of national financial construction, it will strive to evert financial stagnation or a shortage of silver coins. But ever since the enforcement of the new monetary system, the Sovernment has allowed people to purchase as much foreign currency as they em. This has led to an outflow of silver dollars. Furthermore, due to speculation by certain Sovernment officials, which action has impaired the reglibility of the bends, many helders of debenture bends, fearing a cellapse of their values, have exchanged their bonds for legal tender notes, with which they have purchased foreign currency, loading thereby to a further outflow of silver dellars.

The sharp decline in the value of eilver in foreign countries has no dealt some connections with the trumondous suffley of silver from this country. The continuous expertation of allver will not only aggreeate the livelihood of the possible but will also bring about an immediate financial bushingtons.

Will the Gevernment then be in a position to promote national financial construction? In order to put a stop to the outflow of our capital and to bring success to the national financial construction, the Government should energetically uphold the realibility of China's debenture bonds and should strictly prohibit ats officials, taking advantage of their position, to speculate.

SHANGHAI NUMERIA 126 S. O. R.C. S. II. 1 No. S. D. D. 3926 Date 28 36

THE SHANGHAI TIMES, TUESDAY, JANUARY 28, 1936

"CHEN PAO" CRASES PRINCE/ATION

May Resume Shortly But No Reasons Gives For The Suspension

In an association published yesterday, the management of the "Chen Pao," passically considered an organ of the National Government, declared that the paper had supposed published as a result of a massical distribute of the Chen Pad Coupagny, 164.

Interrigued, \$5, we have the comcommission of the Survey of the Education and a meeter of the C.B.C. a survey of the two proceeds of the paper, declared that the paper winds him reason published. He made the horse were, from medication to the for the temporary engineers.

My M

Fm. 2 G. 10,000-6-32

SHANGHAI MUNICIPAL POLICE.

SHAMANA AUDICIPAL POLITE

C. & S. B. REGISTRY

F. 7926

REPORT

Date Danglat 10 1932.

Subject (in full).	يد	etters from "Blood & Soul	Group"
***************************************		to the Chan Dec	
Made by	and	Forwarded by	C.D.I. Prince.
	Sir,	`.	•
	Qc p	ies of letters from the Bl	ood & Soul Corps
	to the Chen Pa	o are submitted herewith.	The editor of the
	Chen Pao, inte	rviewed, stated that the 1	etters were received
	by mail and th	ey published them without	question, or inquiry.
	From this it w	ould appear that the Chine	se Press is in sympathy
	with the Blood	and Soul Group and its ac	tivities.
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	0/C Special Br	enon.	
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August 8, 1932.

Shun Pac:

BLOOD AND IRON CORPS ISSUES MANIFESTO.

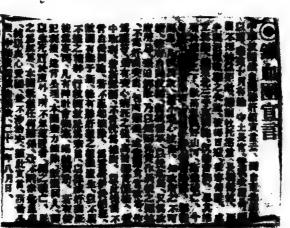
The Chinese National Salvation Blood and Iron Corps for Extermination of Traitors publishes the following manifestos-

ago. Our Government officials are still observing a nonresistance policy and this has led to our defeat in the
Shanghai War and enabled the Japanese to establish the state
of Manchukuc thereby enslaving our thirty million brethren in
the North-East, and several hundred thousand square miles of
fertile territory have fallen into the hands of the Japanese
bandits.

*The invasion of Jehol, Peiping and Tientsin is now imminent. As our Government is not reliable, the organization of volunteer corps has been voluntarily undertaken by the people to save e country. But this has been forbidden by the Government. In that case, the final step which we, the people, can adopt is to boycott Japanese goods. Nevertheless, a number of traitorous merchants at the instigation of wicked politicians have sanctioned the sale and transportation of Japanese goods. Furthermore, certain men who are without a conscience have taken advantage of the boycett to raise the price of national products. these "traitors" are not rooted out of existence, neither the boycott of Japanese goods nor the sale of national products Therefore, with inflexible spirit, we can be promoted. have organized this Traitors Extermination Corps for the sole purpose of killing all these traitorous merchants in order to says our pountry.

The shell have no regard for our lives, we shall do everything for the salvation of the country and for the religion of the people. Our Carpo has no somestick week-

do with communism. We shall not endanger public peace and safety. We are moved purely with love for our dountry.



facinale of

To the Editorial Department,

Chen Pao.

Gentlemen,

with a view to preventing disreputable elements from assuming the name of our Corps for the purpose of extortion or some other unlawful ends, we have engraved a seal bearing the inscriptions "The Shanghai Blood & Soul Corps for the Extermination of Traitors" (上海上海河) which seal will be in use from July 30. Therefore, we have to draw your attention that any documents not bearing the seal of our Corps is false.

Attached is a specimen of our seal.

(Sealed) The Shanghai Blood & Soul Corps

for the Extermination of Traitors.

Fully 50.

上海血溶液的圆沙十十

運陽若服图的预防不見仍子假 借城国名養肆行為作改吏处 不法行为之見精循到印地一根 、文目、上海也说作好图,自十月 三十日常用湖泊任下文件 如果如蓋城图圖章好得假 富用特過是情报甚至是为养 从为局於確報如於B

To the Editorial Department,

Chen Pao.

Gentlemen,

This Corps is organized purely by patriots and its discipline is very strict. Its sole aim is to exterminate traitorous merchants dealing in Japanese goods. The funds for this Corps are entirely contributed by the members of the Corps and there is no seliciting for public donations whatever. We are not responsible for any incidents arising from raising of subscriptions or extortion by persons using the name of this Corps. We therefore bring this fact to the notice of the public.

(Sealed) The Shanghai Blood & Soul
Corps for the Extermination of Traitors.
July 30.

To the Editor,

In view of the increasing gravity of the national crisis, we have organized the Blood and Soul Corps for the Extermination of Traitors in an attempt to awaken by sacrifice of blood and soul the "already dead human heart". We are endeavouring to reduce the enemy's aggressiveness by severing economic relations with him and also to secure international peace by our The purchase of Japanese goods by pure patriotism. Chinese constitutes one of the major factors which have enabled Japan to violate international peace pacts and Therefore, those lethargic to invade the North-East. Chinese who are continuing to buy and to sell Japanese goods are committing offences against the Republic by endangering it and bringing about foreign aggressions. They are also indirectly responsible for the violation of international peace pacts. This is why our Corps has separately warned them, hoping they will correct their mistakes.

Yesterday one of our members named Yung Wei
Fang was arrested by police when he was warning the Mow
Chang Piece Goods Shop. As our members have sworm to
sacrifice their lives, we are not afraid of any measures
the law may adopt to deal with us. However, the question
whether warnings to persuade others to correct their errors
and sent with the object of protecting the nation or race
and upholding international peace are unlawful and the
degree of punishment they merit requires discussion.

paper and to start a "Traitor Extermination Lew Discussion
Association" in order to enable public bodies or individuals
to express their views freely and Miss from which a just
reply to the question as to whether the activities of

members are unlawful and are subject to punishment will be evolved. We will give you our points of view regarding the case within a few days.

(Sealed) The Shanghai Blood & Soul Corps
for the Extermination of Traitors.

August 6.

This letter has not been published my

Fm. 2 G. 10,000-6-32

SHANGHAI MUNICIPAL POLICE.

Special Branchas Da. 3.9.26

REPORT

Date Dante 81 19 36

	Date Date 19 32.
Subject (in s	ull) Chen Pao Editorial "Correction".
Made by	and Forwarded by C.D.I. Prince.
	Sir,
	We brought to the notice of the editor of the Chen
	Pao the remarks of the Commissioner of Police regarding the
	editorial published in the Chen Pao on August 4, 1932, and he
	stated that he would publish a correction.
	A correction in the form of a letter sent to the
	editor of the paper by the Publicity Department of the Shanghai
	Municipal Council, in which it is stated that the Indians referred
	to in the Editorial are not Policemen or Police Watchmen, was
	published in the Chen Pao August 6, 1932, issue.
	Please see attached translation.
	Le France
• 4	Co.D. I.
	O/C Special Branch.
•	
	Commissioner of Volice,
	Sir, f
	a fermation.
	· All
	St. Tivens
	O. i/c Sp. Br,
	AUG : 1932
	0.C.R.S.B

CORRECTION

Chen Pao (Evening Issue) of August 7 published the following letter dated August 6 from the Publicity Department of the S.M.C.:-

"With reference to the comment appearing in your Evening Issue of August 3 on the subject of the Lih Tsong Li Alleyway incident, investigations show that the Indians employed in this alleyway are private watchmen. They are not policemen nor watchmen under Police supervision. Furthermore the incident took place in Chapei.

Extract from Chinese Newspapers Translation 4.8.32.

Chen Pao Evening Issue (Editorial):

H.1022.

Commenting on the incident, (Fatal fight between tenants and Indian Watchmen) the Chen Pao writes:-

We can not but blame the S.M.C. for if the reducil had given a thorough training to these Indian policemen, such basurd incidents would never have happened.

According to reports in hand, the Indian watchmer are utterly ignorant of police practice. People are at liberty to choose their residence and watchmen have no right to interfere, but the watchmen in this case did interfere.

People have full liberty of movements in the lane and watchmen may not treat the residents as prisoners.

We cannot treat the case as a common occurrence, because all the five watchmen are untrained men. The ignorance on the part of the watchmen of the mode of living of the people is excusable, but it is the duty of the S.M.C. to instruct them in this respect. Ignorance of police regulations on the part of the common people is excusable, but not on the part of the policemen.

From everyday events, one can perceive the lack of training on the part of Indian policemen, this incident provides further proof.

We now ask the S.M.C. to rectify this error so as to svoid a recurrence of such incidents. The killing and wounding of residents in Lik Chun Lee made us feel that we too are in danger.

Commissioner's 1 marks:

"O.C. S.3: They are not faction Policement and March marking to do with the Police The Age digasts to dropp to appendion of Marking To